

Senate Engrossed

**FILED**

**JANICE K. BREWER  
SECRETARY OF STATE**

State of Arizona  
Senate  
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Second Regular Session  
2004

CHAPTER 81

# **SENATE BILL 1088**

AN ACT

AMENDING SECTIONS 48-1907 AND 48-5541, ARIZONA REVISED STATUTES; RELATING TO  
SPECIAL DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 48-1907, Arizona Revised Statutes, is amended to  
3 read:

4 48-1907. Powers of hospital district

5 A. A hospital district may:

6 1. Adopt and use a corporate seal.

7 2. Sue and be sued in all courts and places and in all actions and  
8 proceedings.

9 3. Purchase, receive, have, take, hold, lease, use and enjoy property  
10 of every kind and description within the limits of the district, and control,  
11 dispose of, convey, encumber and create leasehold interests in such property  
12 for the benefit of the district.

13 4. Administer trusts declared or created for the hospital district,  
14 and receive by gift, devise or bequest and hold in trust or otherwise,  
15 property located within the state or elsewhere and, when not otherwise  
16 provided, dispose of such property for the benefit of the hospital district.

17 5. Provide for the operation and maintenance at a single location  
18 within the district of a hospital, urgent care center, combined hospital and  
19 ambulance service WHEN AUTHORIZED TO DO SO PURSUANT TO TITLE 36, CHAPTER  
20 21.1, ARTICLE 2, or combined urgent care center and ambulance service, WHEN  
21 AUTHORIZED TO DO SO PURSUANT TO TITLE 36, CHAPTER 21.1, ARTICLE 2, owned or  
22 operated by the district. If the hospital district provides for the  
23 operation of an ambulance service, ambulance services shall be provided to  
24 all areas within the district. An existing hospital district THAT IS located  
25 in a county with a population of less than five hundred thousand persons AND  
26 THAT IS operating at a single location may expand to a second location if the  
27 board of directors of the hospital district finds at a public hearing on the  
28 matter that an additional location is reasonably necessary for the persons  
29 served by the district.

30 6. Impose a secondary property tax on all taxable property within the  
31 district for the purpose of funding the operation and maintenance of a  
32 hospital, urgent care center, combined hospital and ambulance service or  
33 combined urgent care center and ambulance service that is owned or operated  
34 by the district or to pay costs of an ambulance service contract entered into  
35 pursuant to this section. The amount of the levy necessary for the operation  
36 and maintenance of the ambulance service, if any, shall be separately stated  
37 in the levy. Prior to the initial imposition of such a tax a majority of the  
38 qualified electors voting in a regular or special election must approve such  
39 initial imposition. The continued imposition of such a tax must be approved  
40 by a majority of the qualified electors voting in a regular or special  
41 election at least every five years from the date of the initial imposition.

42 7. Contract with an existing hospital, ambulance service, city, town  
43 or fire district within the district to provide ambulance related  
44 services. If the district does contract for ambulance services, the district

1 shall ensure that ambulance services are provided to all areas within the  
2 district. No such contract may provide for the use of aircraft.

3 B. The amount of a levy under subsection A, paragraph 6 shall not  
4 exceed the greater of:

5 1. Six hundred thousand dollars, adjusted annually from a 1989 base  
6 year according to the health services component of the metropolitan Phoenix  
7 consumer price index published by the bureau of business and economic  
8 research, college of business administration, Arizona state university, or  
9 its successor.

10 2. Ten per cent of the hospital's or urgent care center's total  
11 expenses for all purposes required or authorized by this chapter and incurred  
12 in the fiscal year ending immediately before the levy.

13 C. An existing hospital may be converted into an urgent care center  
14 by a vote of the board of directors of the district if the conversion is in  
15 the best interests of the district. An existing urgent care center shall not  
16 be converted into a hospital unless the hospital district is created pursuant  
17 to section 48-261 and this chapter.

18 Sec. 2. Section 48-5541, Arizona Revised Statutes, is amended to read:  
19 48-5541. Powers of special health care district

20 A special health care district may:

21 1. Adopt and use a corporate seal.

22 2. Sue and be sued in all courts and places and in all actions and  
23 proceedings.

24 3. Purchase, receive, take, hold, lease, use and enjoy property of  
25 every kind and description in the district, and control, dispose of, sell,  
26 convey, encumber and create leasehold interests in property for the benefit  
27 of the district.

28 4. Administer trusts declared or created for the district, and receive  
29 by gift, devise or bequest and hold in trust or otherwise, property located  
30 in this state or elsewhere and, if not otherwise provided, dispose of trust  
31 property for the benefit of the district.

32 5. Operate and maintain, or provide for the operation and maintenance  
33 of, at one or more locations in the district, a hospital, freestanding urgent  
34 care centers, medical clinics, nursing care institutions, a combined hospital  
35 and nursing care institution, a combined hospital, nursing care institution  
36 and ambulance service WHEN AUTHORIZED TO DO SO PURSUANT TO TITLE 36, CHAPTER  
37 21.1, ARTICLE 2, a combined freestanding urgent care center and ambulance  
38 service WHEN AUTHORIZED TO DO SO PURSUANT TO TITLE 36, CHAPTER 21.1, ARTICLE  
39 2, a home health agency or any other asset of a health system as defined in  
40 section 11-1401 and any health system liability as defined in section 11-1401  
41 that is owned or operated by the district.

42 6. Contract with an existing hospital, freestanding urgent care  
43 center, nursing care institution, ambulance service, city, town or fire  
44 district in the district to provide hospital, urgent care, nursing care and  
45 ambulance related services.